

AMENDED IN ASSEMBLY AUGUST 7, 2006

AMENDED IN SENATE MAY 2, 2006

**SENATE BILL**

**No. 1383**

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**Introduced by Senator Ortiz**

**(Principal coauthor: Senator Alarcon)**

**(Coauthor: Senator Romero)**

*(Coauthors: Assembly Members Baca, Jerome Horton, and Koretz)*

February 21, 2006

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An act to amend Sections 69433.9, ~~69434~~, ~~69435.3~~, ~~69436~~, and 69514 of the Education Code, relating to student financial aid.

LEGISLATIVE COUNSEL'S DIGEST

SB 1383, as amended, Ortiz. Student financial aid: Ortiz-Pacheco-Poochigian-Vasconcellos Cal Grant Program.

(1) Existing law, the Ortiz-Pacheco-Poochigian-Vasconcellos Cal Grant Act, establishes the Cal Grant A and B Entitlement awards, the California Community College Transfer Cal Grant Entitlement awards, the Competitive Cal Grant A and B awards, the Cal Grant C awards, and the Cal Grant T awards under the administration of the Student Aid Commission, and establishes eligibility requirements for awards under these programs for participating students attending qualifying institutions. Among the existing eligibility requirements established under the act for the Cal Grant A and B Entitlement awards is a requirement that a student must have graduated from high school or its equivalent during or after the 2000–01 academic year and that the student has submitted a completed financial aid application no later than March 2 of the academic year, as defined to mean a year commencing on July 1 and ending on June 30, of high school graduation or its equivalent. Among the existing eligibility

requirements established under the act for the California Community College Transfer Cal Grant Entitlement awards is a requirement that a student must have graduated from a California high school or its equivalent during or after the 2000–01 academic year.

~~Existing law requires, commencing with the 2003–04 school year and each school year thereafter, each pupil completing grade 12, other than a pupil to whom an exception to this requirement is applicable, to successfully pass the high school exit examination as a condition of graduation from high school.~~

~~This bill would specify that a student who has either satisfied every requirement of graduation from the last high school he or she attended except for passage of the high school exit examination or who has met the requirements for designation by the United States Department of Education that the student has an ability to benefit from the education or training to be pursued or contemplated by that student *does not meet the requirements for a high school diploma or its equivalent in the academic year immediately preceding the award year, but who meets the requirements for a high school diploma or its equivalent by December 31 of the academic year immediately following the date of application*, satisfies the requirement of obtaining the equivalent of high school graduation or its equivalent for the purposes of the act.~~

~~The bill would also provide that an applicant for the Cal Grant A and B Entitlement awards may submit a completed financial aid application no later than March 2 of the calendar year of high school graduation or its equivalent.~~

(2) Existing law requires the Student Aid Commission to report, on or before April 1 of each year, statistical data examining the impact and effectiveness of state-funded student aid programs.

This bill would require this annual report to include the number and the demographic characteristics of the students who qualify for a Cal Grant award based on obtaining the equivalent of high school graduation or its equivalent pursuant to the bill.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1     SECTION 1. Section 69433.9 of the Education Code, as
- 2     amended by Section 2 of Chapter 43 of the Statutes of 2006, is
- 3     amended to read:

69433.9. To be eligible to receive a Cal Grant award under this chapter, a student shall be all of the following:

(a) A citizen of the United States, or an eligible noncitizen, as defined for purposes of financial aid programs under Title IV of the federal Higher Education Act of 1965 (20 U.S.C. Secs. 1070 et seq., as from time to time amended).

(b) In compliance with all applicable Selective Service registration requirements.

(c) Not incarcerated.

(d) Not in default on any student loan within the meaning of Section 69507.5.

(e) (1) For purposes of Article 2 (commencing with Section 69434), Article 3 (commencing with Section 69435), and Article 4 (commencing with Section 69436), except as provided in subdivision (d) of Section 69436, at the time of high school graduation or its equivalent, be a resident of California.

(2) *A student who does not meet the requirements for a high school diploma or its equivalent in the academic year immediately preceding the award year, but who meets the requirements for a high school diploma or its equivalent by December 31 of the academic year immediately following the date of application, satisfies any requirement for obtaining high school graduation or its equivalent for the purposes of this chapter.*

~~SECTION 1. Section 69433.9 of the Education Code is amended to read:~~

~~69433.9. To be eligible to receive a Cal Grant award under this chapter, a student shall be all of the following:~~

~~(a) A citizen of the United States, or an eligible noncitizen, as defined for purposes of financial aid programs under Title IV of the federal Higher Education Act of 1965 (20 U.S.C. Secs. 1070 et seq., as from time to time amended):~~

~~(b) In compliance with all applicable Selective Service registration requirements:~~

~~(c) Not incarcerated:~~

~~(d) Not in default on any student loan within the meaning of Section 69507.5:~~

~~(e) (1) For purposes of Article 2 (commencing with Section 69434), Article 3 (commencing with Section 69435), and Article~~

1 ~~4 (commencing with Section 69436), at the time of high school~~  
2 ~~graduation or its equivalent, be a resident of California.~~

3 ~~(2) A student who has accomplished either of the following~~  
4 ~~satisfies any requirement of obtaining the equivalent of high~~  
5 ~~school graduation for purposes of this chapter:~~

6 ~~(A) Satisfied every requirement of graduation from the last~~  
7 ~~high school he or she attended except for passage of the high~~  
8 ~~school exit examination required pursuant to Chapter 9~~  
9 ~~(commencing with Section 60850) of Part 33.~~

10 ~~(B) Met the requirements for designation by the United States~~  
11 ~~Department of Education that the student has an ability to benefit~~  
12 ~~from the education or training being pursued or contemplated by~~  
13 ~~that student.~~

14 ~~SEC. 2. Section 69434 of the Education Code is amended to~~  
15 ~~read:~~

16 ~~69434. (a) Commencing with the 2001-02 academic year,~~  
17 ~~and each academic year thereafter, a Cal Grant A award shall be~~  
18 ~~used only for tuition or student fees, or both, in a for-credit~~  
19 ~~instructional program with a length of not less than two academic~~  
20 ~~years. Each student who meets the Cal Grant A qualifications as~~  
21 ~~set forth in this article shall be guaranteed an award. The amount~~  
22 ~~of any individual award is dependent on the cost of tuition or~~  
23 ~~fees, or both, at the qualifying institution at which the student is~~  
24 ~~enrolled. For each applicant, the award amount shall not exceed~~  
25 ~~the amount of the calculated financial need.~~

26 ~~(b) Pursuant to Section 66021.2, any California resident is~~  
27 ~~entitled to a Cal Grant A award, and the commission shall~~  
28 ~~allocate that award, if all of the following criteria are met:~~

29 ~~(1) The student has submitted, pursuant to Section 69432.9, a~~  
30 ~~complete financial aid application, submitted or postmarked no~~  
31 ~~later than March 2 of the calendar year of high school graduation~~  
32 ~~or its equivalent for the award year immediately following the~~  
33 ~~academic year of high school graduation or its equivalent, or no~~  
34 ~~later than March 2 of the academic year following high school~~  
35 ~~graduation or its equivalent for the second award year following~~  
36 ~~the year of high school graduation or its equivalent.~~

37 ~~(2) The student demonstrates financial need pursuant to~~  
38 ~~Section 69433.~~

39 ~~(3) The student attains a high school grade point average of at~~  
40 ~~least 3.0 on a four-point scale.~~

1     ~~(4) The student's household has an income and asset level that~~  
2     ~~does not exceed the level for Cal Grant A recipients set forth in~~  
3     ~~Section 69432.7.~~

4     ~~(5) The student is pursuing an undergraduate academic~~  
5     ~~program of not less than two academic years that is offered by a~~  
6     ~~qualifying institution.~~

7     ~~(6) The student is enrolled at least part time.~~

8     ~~(7) The student meets the general Cal Grant eligibility~~  
9     ~~requirements set forth in Article 1 (commencing with Section~~  
10    ~~69430).~~

11    ~~(8) The student graduated from high school or its equivalent~~  
12    ~~during or after the 2000-01 academic year.~~

13    ~~(e) A student who meets the Cal Grant A Entitlement Program~~  
14    ~~criteria specified in this article shall receive a Cal Grant A award~~  
15    ~~for tuition or fees, or both, pursuant to Section 66021.2.~~

16    ~~SEC. 3. Section 69435.3 of the Education Code is amended to~~  
17    ~~read:~~

18    ~~69435.3. (a) Any California resident is entitled to receive a~~  
19    ~~Cal Grant B award, and the commission shall allocate that award~~  
20    ~~pursuant to Section 66021.2, if all of the following criteria are~~  
21    ~~met:~~

22    ~~(1) The student has submitted, pursuant to Section 69432.9, a~~  
23    ~~complete financial aid application, submitted or postmarked no~~  
24    ~~later than March 2 of the calendar year of high school graduation~~  
25    ~~or its equivalent for the award year immediately following the~~  
26    ~~academic year of high school graduation or its equivalent, or no~~  
27    ~~later than March 2 of the academic year following high school~~  
28    ~~graduation or its equivalent for the second award year following~~  
29    ~~the year of high school graduation or its equivalent.~~

30    ~~(2) The student demonstrates financial need pursuant to~~  
31    ~~Section 69433.~~

32    ~~(3) The student attains a high school grade point average of at~~  
33    ~~least 2.0 on a four-point scale.~~

34    ~~(4) The student's household has an income and asset level that~~  
35    ~~does not exceed the level for Cal Grant B recipients as set forth~~  
36    ~~in Section 69432.7.~~

37    ~~(5) The student is pursuing an undergraduate academic~~  
38    ~~program of not less than one academic year that is offered by a~~  
39    ~~qualifying institution.~~

40    ~~(6) The student is enrolled at least part time.~~

~~(7) The student meets the general Cal Grant eligibility requirements set forth in Article 1 (commencing with Section 69430).~~

~~(8) The student graduated from high school or its equivalent during or after the 2000-01 academic year.~~

~~(b) A student who meets the Cal Grant B Entitlement Program criteria specified in this article shall receive a Cal Grant B award for access costs and tuition and fees pursuant to Section 66021.2.~~

~~SEC. 4. Section 69436 of the Education Code is amended to read:~~

~~69436. (a) Commencing with the 2001-02 academic year, and each academic year thereafter, a student who was not awarded a Cal Grant A or B award pursuant to Article 2 (commencing with Section 69434) or Article 3 (commencing with Section 69435) at the time of his or her high school graduation or at the time he or she achieved the equivalent of high school graduation but, at the time of transfer from a California community college to a qualifying baccalaureate program, meets all of the criteria set forth in subdivision (b); shall be entitled to a Cal Grant A or B award.~~

~~(b) Any California resident transferring from a California community college to a qualifying institution that offers a baccalaureate degree is entitled to receive, and the commission shall award, a Cal Grant A or B award depending on the eligibility determined pursuant to subdivision (c), if all of the following criteria are met:~~

~~(1) A complete official financial aid application has been submitted or postmarked pursuant to Section 69432.9, no later than the March 2 of the year immediately preceding the award year.~~

~~(2) The student demonstrates financial need pursuant to Section 69433.~~

~~(3) The student has earned a community college grade point average of at least 2.4 on a 4.0 scale and is eligible to transfer to a qualifying institution that offers a baccalaureate degree.~~

~~(4) The student's household has an income and asset level not exceeding the limits set forth in Section 69432.7.~~

~~(5) The student is pursuing a baccalaureate degree that is offered by a qualifying institution.~~

~~(6) He or she is enrolled at least part time.~~

1 ~~(7) The student meets the general Cal Grant eligibility~~  
2 ~~requirements set forth in Article 1 (commencing with Section~~  
3 ~~69430).~~

4 ~~(8) The student does not meet the federal definition of an~~  
5 ~~independent student, as set forth in subsection (d) of Section~~  
6 ~~1087vv of Title 20 of the United States Code, with the exception~~  
7 ~~of:~~

8 ~~(A) A student who is an orphan or a ward of the court and who~~  
9 ~~will not be 24 years old or older by December 31 of the award~~  
10 ~~year.~~

11 ~~(B) A student who is a veteran of the United States Armed~~  
12 ~~Forces and who will not be 24 years old or older by December 31~~  
13 ~~of the award year.~~

14 ~~(C) A student who is a married person and who will not be 24~~  
15 ~~years old or older by December 31 of the award year.~~

16 ~~(D) A student who will not be 24 years old or older by~~  
17 ~~December 31 of the award year and who has dependents other~~  
18 ~~than a spouse.~~

19 ~~(E) A student who will not be 24 years old or older by~~  
20 ~~December 31 of the award year and for whom a financial aid~~  
21 ~~administrator makes documented determination of independence~~  
22 ~~by reason of other unusual circumstances.~~

23 ~~(9) The student graduated from a California high school or its~~  
24 ~~equivalent during or after the 2000-01 academic year.~~

25 ~~(e) The amount and type of the award pursuant to this article~~  
26 ~~shall be determined as follows:~~

27 ~~(1) For applicants with income and assets at or under the Cal~~  
28 ~~Grant A limits, the award amount shall be the amount established~~  
29 ~~pursuant to Article 2 (commencing with Section 69434).~~

30 ~~(2) For applicants with income and assets at or under the Cal~~  
31 ~~Grant B limits, the award amount shall be the amount established~~  
32 ~~pursuant to Article 3 (commencing with Section 69435).~~

33 ~~SEC. 5.~~

34 ~~SEC. 2.~~ Section 69514 of the Education Code is amended to  
35 read:

36 69514. The commission shall do all of the following:

37 (a) Report, on or before April 1 of each year, statistical data  
38 examining the impact and effectiveness of state-funded  
39 programs. The commission shall utilize common criteria in  
40 determining the impact of these programs, and shall have the

1 authority to obtain any data from postsecondary educational  
2 institutions necessary for the reports. This report shall  
3 specifically note the number and the demographic characteristics  
4 of the students who qualify for a Cal Grant award based on  
5 obtaining ~~the equivalent of high school graduation~~ *high school*  
6 *graduation or its equivalent* pursuant to paragraph (2) of  
7 subdivision (e) of Section 69433.9.

8 (b) Collect and disseminate data concerning the financial  
9 resources and needs of students and potential students, and the  
10 scope and impact of existing state, federal, and institutional  
11 student aid programs.

12 (c) Report, on or before April 1 of each year, the aggregate  
13 financial need of individuals seeking access to postsecondary  
14 education and the degree to which current student aid programs  
15 meet this legitimate financial need.

16 (d) Develop and report annually the distribution of funds and  
17 awards among income groups, ethnic groups, grade point average  
18 levels, and postsecondary education segments.

19 (e) Prepare and disseminate information regarding the criteria  
20 utilized in distributing available student aid funds.

21 (f) Be authorized to expend funds for the purpose of  
22 disseminating information about all institutional, state, and  
23 federal student aid programs to potential applicants. This  
24 distribution of information shall primarily focus on potential  
25 applicants with the greatest financial need.